

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL EXPRESS & PRIORITY MAIL CONTRACT 75
(MC2019-16)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2019-16

**USPS NOTICE OF AMENDMENT TO
PRIORITY MAIL EXPRESS & PRIORITY MAIL CONTRACT 75,
FILED UNDER SEAL
(March 27, 2020)**

The Postal Service hereby provides notice that the terms of Priority Mail Express & Priority Mail Contract 75, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail Express & Priority Mail Contract 75 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective three business days following the day that the Commission completes its review of this filing.

This amendment will not materially affect the cost coverage of Priority Mail Express & Priority Mail Contract 75. Therefore, the supporting financial documentation and financial certification initially filed in this docket remain applicable. The Postal Service hereby incorporates by reference the Application for Non-Public Treatment originally filed in this docket, for the protection of the customer-identifying information that has been filed under seal.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

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March 27, 2020

ATTACHMENT A

REDACTED AMENDMENT TO PRIORITY MAIL EXPRESS & PRIORITY MAIL

CONTRACT 75

AMENDMENT #1
OF
SHIPPING SERVICES CONTRACT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
[REDACTED]
REGARDING
PRIORITY MAIL EXPRESS
AND
PRIORITY MAIL SERVICE

WHEREAS, the United States Postal Service (the “Postal Service”) and [REDACTED] (“Customer”) entered into a Shipping Services Contract, Priority Mail Express and Priority Mail Contract 75/Docket No. CP2019-16 regarding Priority Mail Express and Priority Mail Service on October 29, 2018.

WHEREAS, the Parties desire to amend the terms in Sections I.B, I.C, I.F, I.G, and IV of the Contract, and to delete Section I.E.4 and Table C.

NOW, THEREFORE, the Parties agree that the Contract is hereby amended as detailed below. The existing Contract remains unchanged in all other respects. This amendment shall become effective three (3) business days following the day on which the Commission issues all necessary regulatory approval.

[Replace Sections I.B, I.C, I.F, I.G, and IV, as follows, and to delete Section I.E.4 and Table C.]

I. Terms

B. This Contract applies to Customer’s inbound and outbound packages, excluding packages originating from and /or addressed to ZIP Codes contained in Table 1A below (collectively “Contract Packages”), as follows:

1. Priority Mail Express weight-based packages that do not exceed [REDACTED]
[REDACTED]; and
2. Priority Mail weight-based packages that do not exceed [REDACTED]
[REDACTED].

[REDACTED]

Customer expressly commits to not offer, sell, or allow the use of Contract Pricing provided in this Contract to any other entity or party (i.e. “reselling”). Customer shall not extend pricing to a third party under this Contract, including commercial published pricing for the products defined in Section I.B, or any prices below commercial published pricing. For the avoidance of doubt, a violation of this section will constitute a material breach of this Contract. This requirement may be waived in writing by the Postal Service, expressly for the limited purpose of Customer’s dropshipping activities.

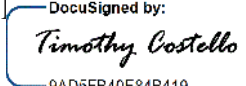
- C. Customer will manifest Contract Packages as specified by the Postal Service, using a separate permit number and/or PC Postage account to ship such packages, and will use the Electronic Verification System (“eVS”), other USPS approved manifest systems, or USPS approved PC Postage vendors for payment of such packages. The Parties have mutually agreed to specific shipping locations from where Contract Packages must originate, along with the associated Customer Registration ID, Mailer ID and Payment Method information required for each shipping location provided that dropshipping, as may be approved by the Postal Service, may originate from other locations. Contract pricing for any newly approved permits and/or PC Postage accounts will be effective within fifteen (15) business days after the Postal Service receives written notification from Customer. Only Priority Mail Express Contract Packages, plus Customer’s other Priority Mail Express packages (“Total PME Packages”), and Priority Mail Contract Packages, plus Customer’s other Priority Mail packages (“Total PM Packages”), shipped from authorized permits and/or PC Postage accounts shall count toward the volume commitments expressed in Section I.E and Table B of the Contract.
- F. Beginning with the Contract Quarter starting April 1, 2020, Customer’s Priority Mail Contract Package pricing will be determined by the quantity of Total PM Packages shipped in the previous Contract Quarter.
- G. Subsequent Prices. In subsequent Contract Quarters throughout the term of the Contract, Priority Mail Contract Package price tiers will be determined by Customer’s volume of Total PM Packages shipped in the previous full Contract Quarter.
 - 1. The Postal Service will monitor Customer’s volume of Total PM Packages, and within fifteen (15) calendar days after the start of each Contract Quarter, will notify Customer of the applicable tier for that Contract Quarter based on Table B, with corresponding prices found in Tables 2 through 4. Tier price changes will be effective within fifteen (15) calendar days after the start of each Contract Quarter. Discounted prices will be calculated by the Postal Service and rounded up to the nearest whole cent.
 - 2. If the volume in any Contract Quarter, throughout the term of this Contract, falls below the minimum quarterly volume set for Tier 1 pricing, the Postal Service in its sole discretion has the right to revert Customer to the most current Priority Mail Commercial Plus prices for the subsequent Contract Quarter.

IV. Appeals

Customer may appeal a Postal Service decision regarding the calculation of prices, the amount of postage paid, or other implementation or operational issues under this Contract by submitting a written appeal via email, along with any and all supporting documentation, within thirty (30) calendar days of receipt of notification of the determination giving rise to the appeal to: [REDACTED]. The appeal is forwarded to the Pricing and Classification Service Center (PCSC). The PCSC manager issues the final agency decision. Any decision that is not appealed as prescribed becomes the final agency decision.

IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be duly executed as of the later date below:

UNITED STATES OF AMERICA /ICE

Signed by:  9AD5FB40E84B419...

Printed Name: Timothy R. Costello

Title: Vice President Sales

Date: 3/16/2020

